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Senior Counsel

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July 2, 2010

VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd
Interim Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive (29210)
Post Office Drawer 11649
Columbia, South Carolina 29211

RE: South Carolina Electric & Gas Company
Request for Approval of Contract for Electric Service with Pure Power
Technologies, LLC

Dear Ms. Boyd:

Pursuant to 26 S.C. Code Ann. Regs. 103-303, South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby files and seeks approval of a Contract for Electric Service ("Contract") between SCE&G and Pure Power Technologies, LLC ("Pure Power Technologies"), with such approval to be made effective as of May 1, 2010, the effective date of the Contract. The Contract continues through May 1, 2015 unless an early termination is mutually agreed upon by the parties. The Contract is automatically extended thereafter until terminated by either party. The Contract is related to Navistar, Inc.'s ("Navistar") recent decision to acquire certain assets and membership interests of Continental Diesel Systems US, LLC ("Continental"), to manufacture key fuel injection components for its MaxxForce® diesel engines. Renamed Pure Power Technologies, the newly acquired company will further vertically integrate Navistar's research and development, engineering and manufacturing capabilities to produce world-class diesel power systems and advanced emissions control systems. Among Continental's assets acquired by Navistar are a research and development center in Columbia and a manufacturing plant in nearby Blythewood. Pure Power Technologies will operate both of these facilities, thus preventing their closing as previously announced by Continental and allowing many former Continental employees the opportunity to gain positions with the new company.

Due to the commercial sensitivity and proprietary nature of certain provisions of this Contract as well as the highly competitive nature of the industry in which Pure Power Technologies operates, the Company and Pure Power Technologies respectfully request that the

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Public Service Commission of South Carolina ("Commission") find that the Contract contains protected information and issue a protective order barring the disclosure of this agreement under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, 26 S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law. Pursuant to S.C. Code Ann. Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, we enclose with this letter a redacted version of the Contract that protects from disclosure the sensitive, proprietary and commercially valuable information, while making available for public viewing non-protected information. We also enclose a copy of the unredacted Contract in a separate, sealed envelope and respectfully request that, in the event that anyone should seek disclosure of this unredacted Contract, the Commission notify SCE&G of such request and provide it with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Contract from disclosure.

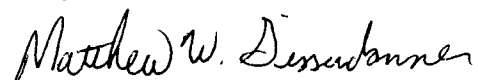
Enclosed are the following:

- (1) A true and correct copy of the original Contract in a sealed envelope marked "CONFIDENTIAL." Each page of the Contract is also marked "CONFIDENTIAL."
- (2) Ten copies of a redacted copy of the Contract for filing and public disclosure.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff ("ORS") with a redacted copy of the Contract for its records. Additionally, SCE&G will make the original, unredacted copy of the Contract available to ORS for its review.

Thank you for your assistance and consideration of this matter. If you have any questions, please do not hesitate to contact us at your convenience.

Very truly yours,



Matthew W. Gissendanner

MWG/mcs
Enclosure

cc: Jeffrey M. Nelson, Esquire
(via hand delivery)